

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 14354 291158Z

44

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 COME-00 GSA-01 L-03 H-02 CIAE-00

INR-07 NSAE-00 OMB-01 TRSE-00 STR-04 SP-02 INT-05

AID-05 /048 W

----- 045756

R 290702Z OCT 75

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 1934

INFO AMCONGEN CALCUTTA

LIMITED OFFICIAL USE NEW DELHI 14354

E.O. 11652: N/A

TAGS: EMIN, ETRD, IN, USINJC

SUBJECT: MICA

REF: NEW DELHI 13955

1. N.C. JAIN, MANAGING DIRECTOR, MICA TRADING CORPORATION (MITCO) DEPARTED OCTOBER 27, 1975 ON A 10-DAY TRIP TO U.S. FOR MEETING WITH MEMBERS OF MICA INDUSTRIES ASSOCIATION (MIA). JAIN PLANS TO BE IN NEW YORK MOST OF THE TIME BUT DEPENDING UPON HIS DISCUSSIONS WITH MIA, MIGHT VISIT WASHINGTON FOR TWO DAYS. JAIN IS TRAVELING WITH DEPUTY COMMERCE MINISTER VISHWANATH PRATAP SINGH AND COMMERCE SECRETARY S.G. BOSE MULLICK.

2. JAIN HAD EARLIER PLANNED TO DEPART FOR U.S. DURING THE SECOND WEEK OF NOVEMBER, BUT ADVANCED THE DATE OF HIS VISIT ON THE SPECIFIC INSTRUCTIONS OF THE DEPUTY MINISTER WHO FELT THAT HIS PRESENCE THERE MIGHT PROVE USEFUL TO JAIN IN RESOLVING MATTERS INVOLVING POLICY CONSIDERATIONS.

3. FYI. DURING JAIN'S DISCUSSIONS WITH EMBREP, JAIN SPECULATED ON THE POSSIBLE REASONS FOR THE OPPOSITION OF U.S. IMPORTERS TO THE PRESENT GOI MICA EXPORT POLICY AND SAID THAT IN SEPTEMBER 1975, MARSHALL HAD EXPRESSED SPECIFIC INTEREST IN BEING APPOINTED AS

LIMITED OFFICIAL USE

PAGE 02 NEW DE 14354 291158Z

THE SOLE SELLING DISTRIBUTOR FOR MITCO IN THE U.S., BUT JAIN

CLEARLY ADVISED MARSHALL THAT SUCH ARRANGEMENTS WERE CONTRARY TO ACCEPTED GOI POLICIES. JAIN BELIEVES THAT THE PRESENT DECISION OF MIA NOT TO PLACE ANY ORDERS WITH MITCO IS THE DIRECT FALL-OUT OF MARSHALL'S FAILURE TO DERIVE PERSONAL BENEFIT FROM MITCO. JAIN STATED THAT ON SEPTEMBER 23, 1975, MARSHALL HAD HIMSELF, PLACED AN ORDER WITH MITCO FOR THE SUPPLY OF 2000 LBS OF FUSE DISC FABRICATED MICA WHICH IS NOT CHANNELIZED THROUGH ANY PUBLIC SECTOR AGENCY AND IS EASILY AVAILABLE THROUGH PRIVATE EXPORTERS. JAIN QUESTIONS MARSHALL'S BONAFIDES IN DOUBTING MITCO'S CAPABILITIES AND, AT THE SAME TIME, AFFIRMING CONFIDENCE IN MITCO BY PLACING AN EXPORT ORDER FOR AN ITEM THAT HE COULD HAVE OBTAINED FROM PRIVATE TRADE SOURCES END FYI.

4. JAIN ALSO SAID THAT RECENTLY HE HAD RECEIVED A LETTER FROM RESIGLASS NEW YORK EXPRESSING FULLEST SATISFACTION AT THE VARIOUS CLARIFICATIONS PROVIDED BY JAIN ON THE NEW GOI MICA EXPORT POLICY. RESIGLASS AND ITS ASSOCIATES COMPAINES, ACCORDING TO JAIN, PURCHASE ABOUT 50 0/0 OF ALL INDIAN PROCESSED MICA EXPORTED TO THE U.S.

5. JAIN REITERATED THAT HE WILL WELCOME ANY SUGGESTIONS TO IMPROVE THE OPERATIONAL ASPECTS OF THE MICA CHANNELIZATION DECISION. IN THIS CONNECTION, HE MENTIONED THAT DURING HS RECENT TRIP TO JAPAN, MITCO ACCEPTED JAPANESE IMPORTERS SUGGESTION TO APPLY 60/40 SPLIT TO TOTAL SHIPMENTS OVER A ONE YEAR PERIOD. SIMILARLY, MITCO AGREED TO FOREIGN BUYERS' OPENING ONLY ONE LETTER OF CREDIT PROVIDED ZIT IS DIVISABLE.

6. JAIN HAS ESTIMATED THAT DURING THE CURRENT INDIAN FISCAL YEAR (APRIL, 1975 TO MARCH 1976) MITCO'S EXPORTS OF PROCESSED MICA WILL REACH APPROX. \$31 MILLION, OF WHICH ABOUT \$QI MILLION WILL BE TO SOVIET BLOC COUNTRIES. IN THE FIRST SIX MONTHS (APRIL-SEPTEMBER, 1975) MITCO'S ACTUAL EXPORTS WERE ABOUT \$11 MILLION, OF WHICH ONLY ABOUT \$0.8 MILLION WAS TO USA. SAXBE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MINING INDUSTRY, VISITS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 OCT 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975NEWDE14354
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750374-1101
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751010/aaaaaiko.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 NEW DELHI 13955
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 25 NOV 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 AUG 2003 by CunninFX>; WITHDRAWN <25 NOV 2003 by KelleyW0, PRIVACY>; RELEASED <25 NOV 2003 by KelleyW0>; APPROVED <25 NOV 2003 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MICA
TAGS: EMIN, ETRD, IN, USINJC, MICA TRADING CORPORATION, (JAIN, N C)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006